

AMENDED IN SENATE APRIL 18, 2006

SENATE BILL

No. 1264

Introduced by Senator Alquist

February 9, 2006

An act to amend ~~Section~~ *Sections 69432.9, 69434, 69435.3, 69436, 69437, and 69437.3* of the Education Code, relating to student financial aid.

LEGISLATIVE COUNSEL'S DIGEST

SB 1264, as amended, Alquist. Student financial aid: Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Program.

Existing law, the Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Act, establishes the Cal Grant A and B Entitlement awards, the California Community College Transfer Cal Grant Entitlement awards, the Competitive Cal Grant A and B awards, the Cal Grant C awards, and the Cal Grant T awards under the administration of the Student Aid Commission, and establishes eligibility requirements for awards under these programs for participating students attending qualifying institutions. Existing law establishes March 2 as the annual deadline for the submission of a completed financial aid application for persons applying for Cal Grant A Entitlement awards, Cal Grant B Entitlement awards, and the California Community College Transfer Cal Grant Entitlement awards. March 2 is also the annual deadline for submission of a completed financial aid application for persons, other than students enrolled in community colleges, who are applying for Competitive Cal Grant A and B awards.

This bill would change these annual deadlines for submission of completed financial aid applications for these various Cal Grant awards from March 2 to June 30, *while providing that,*

notwithstanding the June 30 deadlines that would be enacted by the bill, the commission would be required to give priority to applicants for these awards who file completed financial aid applications by March 2. The bill would delete obsolete provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 69432.9 of the Education Code is
2 amended to read:

3 69432.9. (a) A Cal Grant applicant shall submit a complete
4 official financial aid application pursuant to Section 69433 and
5 applicable regulations adopted by the commission.
6 *Notwithstanding the June 30 deadlines for submitting completed*
7 *financial aid applications for awards under Article 2*
8 *(commencing with Section 69434), Article 3 (commencing with*
9 *Section 69435), Article 4 (commencing with Section 69436), and*
10 *Article 5 (commencing with Section 69437), the commission shall*
11 *give priority to applicants for those awards who file completed*
12 *financial aid applications by March 2.*

13 (b) Financial need shall be determined using the federal
14 financial need methodology pursuant to subdivision (a) of
15 Section 69506 and applicable regulations adopted by the
16 commission, and as established by Title IV of the Federal Higher
17 Education Act of 1965 (20 U.S.C. Secs. 1070 et seq., as
18 amended). The calculation of financial need shall be consistent
19 with the commission's methodology for financial need for the
20 2000–01 academic year.

21 (1) "Expected family contribution," with respect to an
22 applicant shall be determined using the federal methodology
23 pursuant to subdivision (a) of Section 69506 (as established by
24 Title IV of the federal Higher Education Act of 1965, as
25 amended (20 U.S.C. Secs. 1070 et seq.)) and applicable rules and
26 regulations adopted by the commission.

27 (2) Financial need is defined as the difference between the
28 student's cost of attendance as determined by the commission
29 and the expected family contribution. The calculation of financial
30 need shall be consistent with the commission's methodology for
31 determining financial need for the 2000–01 academic year as

1 established by Title IV of the federal Higher Education Act of
2 1965, as amended (20 U.S.C. Secs. 1070 et seq.).

3 (3) (A) The minimum financial need required for receipt of an
4 initial Cal Grant A or Cal Grant C award shall be not less than
5 the maximum annual award value for the applicable institution,
6 plus an additional one thousand five hundred dollars (\$1,500) of
7 financial need.

8 (B) The minimum financial need required for receipt of an
9 initial Cal Grant B award shall be no less than seven hundred
10 dollars (\$700).

11 (c) The commission shall require that a grade point average be
12 submitted for all Cal Grant A and B applicants, except for those
13 permitted to provide test scores in lieu of a grade point average.
14 The commission shall require that each report of a grade point
15 average include a certification, executed under penalty of
16 perjury, by a school official, that the grade point average reported
17 is accurately reported. The certification shall include a statement
18 that it is subject to review by the commission or its designee. The
19 commission shall adopt regulations that establish a grace period
20 for receipt of the grade point average and any appropriate
21 corrections, and that set forth the circumstances under which a
22 student may submit a specified test score designated by the
23 commission, by regulation, in lieu of submitting a qualifying
24 grade point average. It is the intent of the Legislature that high
25 schools and institutions of higher education certify the grade
26 point averages of their students in time to meet the application
27 deadlines imposed by this chapter.

28 ~~SECTION 1.~~

29 *SEC. 2.* Section 69434 of the Education Code is amended to
30 read:

31 69434. (a) Commencing with the 2001–02 academic year,
32 and each academic year thereafter, a Cal Grant A award shall be
33 used only for tuition or student fees, or both, in a for-credit
34 instructional program with a length of not less than two academic
35 years. Each student who meets the Cal Grant A qualifications as
36 set forth in this article shall be guaranteed an award. The amount
37 of any individual award is dependent on the cost of tuition or
38 fees, or both, at the qualifying institution at which the student is
39 enrolled. For each applicant, the award amount shall not exceed
40 the amount of the calculated financial need.

(b) Pursuant to Section 66021.2, any California resident is entitled to a Cal Grant A award, and the commission shall allocate that award, if all of the following criteria are met:

(1) The student has submitted, pursuant to Section 69432.9, a complete financial aid application, submitted or postmarked no later than June 30 of the academic year of high school graduation or its equivalent for the award year immediately following the academic year of high school graduation or its equivalent, or no later than June 30 of the academic year following high school graduation or its equivalent for the second award year following the year of high school graduation or its equivalent.

(2) The student demonstrates financial need pursuant to Section 69433.

(3) The student attains a high school grade point average of at least 3.0 on a four-point scale.

(4) The student's household has an income and asset level that does not exceed the level for Cal Grant A recipients set forth in Section 69432.7.

(5) The student is pursuing an undergraduate academic program of not less than two academic years that is offered by a qualifying institution.

(6) The student is enrolled at least part time.

(7) The student meets the general Cal Grant eligibility requirements set forth in Article 1 (commencing with Section 69430).

(8) The student graduated from high school or its equivalent during or after the 2000–01 academic year.

(c) A student who meets the Cal Grant A Entitlement Program criteria specified in this article shall receive a Cal Grant A award for tuition or fees, or both, pursuant to Section 66021.2.

~~SEC. 2.~~

SEC. 3. Section 69435.3 of the Education Code is amended to read:

69435.3. (a) Any California resident is entitled to receive a Cal Grant B award, and the commission shall allocate that award pursuant to Section 66021.2, if all of the following criteria are met:

(1) The student has submitted, pursuant to Section 69432.9, a complete financial aid application, submitted or postmarked no later than June 30 of the academic year of high school graduation

1 or its equivalent for the award year immediately following the
2 academic year of high school graduation or its equivalent, or no
3 later than June 30 of the academic year following high school
4 graduation or its equivalent for the second award year following
5 the year of high school graduation or its equivalent.

6 (2) The student demonstrates financial need pursuant to
7 Section 69433.

8 (3) The student attains a high school grade point average of at
9 least 2.0 on a four-point scale.

10 (4) The student's household has an income and asset level that
11 does not exceed the level for Cal Grant B recipients as set forth
12 in Section 69432.7.

13 (5) The student is pursuing an undergraduate academic
14 program of not less than one academic year that is offered by a
15 qualifying institution.

16 (6) The student is enrolled at least part-time.

17 (7) The student meets the general Cal Grant eligibility
18 requirements set forth in Article 1 (commencing with Section
19 69430).

20 (8) The student graduated from high school or its equivalent
21 during or after the 2000–01 academic year.

22 (b) A student who meets the Cal Grant B Entitlement Program
23 criteria specified in this article shall receive a Cal Grant B award
24 for access costs and tuition and fees pursuant to Section 66021.2.

25 ~~SEC. 3.~~

26 *SEC. 4.* Section 69436 of the Education Code is amended to
27 read:

28 69436. (a) Commencing with the 2001–02 academic year,
29 and each academic year thereafter, a student who was not
30 awarded a Cal Grant A or B award pursuant to Article 2
31 (commencing with Section 69434) or Article 3 (commencing
32 with Section 69435) at the time of his or her high school
33 graduation but, at the time of transfer from a California
34 community college to a qualifying baccalaureate program, meets
35 all of the criteria set forth in subdivision (b), shall be entitled to a
36 Cal Grant A or B award.

37 (b) Any California resident transferring from a California
38 community college to a qualifying institution that offers a
39 baccalaureate degree is entitled to receive, and the commission
40 shall award, a Cal Grant A or B award depending on the

1 eligibility determined pursuant to subdivision (c), if all of the
2 following criteria are met:

3 (1) A complete official financial aid application has been
4 submitted or postmarked pursuant to Section 69432.9, no later
5 than June 30 of the year immediately preceding the award year.

6 (2) The student demonstrates financial need pursuant to
7 Section 69433.

8 (3) The student has earned a community college grade point
9 average of at least 2.4 on a 4.0 scale and is eligible to transfer to
10 a qualifying institution that offers a baccalaureate degree.

11 (4) The student's household has an income and asset level not
12 exceeding the limits set forth in Section 69432.7.

13 (5) The student is pursuing a baccalaureate degree that is
14 offered by a qualifying institution.

15 (6) He or she is enrolled at least part-time.

16 (7) The student meets the general Cal Grant eligibility
17 requirements set forth in Article 1 (commencing with Section
18 69430).

19 (8) The student does not meet the federal definition of an
20 independent student, as set forth in subsection (d) of Section
21 1087vv of Title 20 of the United States Code, with the exception
22 of:

23 (A) A student who is an orphan or a ward of the court and who
24 will not be 24 years old or older by December 31 of the award
25 year.

26 (B) A student who is a veteran of the United States Armed
27 Forces and who will not be 24 years old or older by December 31
28 of the award year.

29 (C) A student who is a married person and who will not be 24
30 years old or older by December 31 of the award year.

31 (D) A student who will not be 24 years old or older by
32 December 31 of the award year and who has dependents other
33 than a spouse.

34 (E) A student who will not be 24 years old or older by
35 December 31 of the award year and for whom a financial aid
36 administrator makes documented determination of independence
37 by reason of other unusual circumstances.

38 (9) The student graduated from a California high school or its
39 equivalent during or after the 2000–01 academic year.

1 (c) The amount and type of the award pursuant to this article
2 shall be determined as follows:

3 (1) For applicants with income and assets at or under the Cal
4 Grant A limits, the award amount shall be the amount established
5 pursuant to Article 2 (commencing with Section 69434).

6 (2) For applicants with income and assets at or under the Cal
7 Grant B limits, the award amount shall be the amount established
8 pursuant to Article 3 (commencing with Section 69435).

9 ~~SEC. 4.~~

10 *SEC. 5.* Section 69437 of the Education Code is amended to
11 read:

12 69437. (a) Commencing with the 2001–02 academic year,
13 and each academic year thereafter, there shall be established the
14 Competitive Cal Grant A and B award program for students who
15 did not receive a Cal Grant A or B entitlement award pursuant to
16 Article 2 (commencing with Section 69434), Article 3
17 (commencing with Section 69435), or Article 4 (commencing
18 with Section 69436). Awards made under this section are not
19 entitlements. The submission of an application by a student under
20 this section shall not entitle that student to an award. The
21 selection of students under this article shall be determined
22 pursuant to subdivision (c) and other relevant criteria established
23 by the commission.

24 (b) A total of 22,500 Cal Grant A and B awards shall be
25 granted annually under this article on a competitive basis for
26 applicants who meet the general eligibility criteria established in
27 Article 1 (commencing with Section 69430) and the priorities
28 established by the commission pursuant to subdivision (c).

29 (1) Fifty percent of the awards referenced in this subdivision
30 are available to all students, including California community
31 college students, who meet the financial need and academic
32 requirements established pursuant to this article. A student
33 enrolling at a qualifying baccalaureate degree granting institution
34 shall apply by the June 30 deadline. A California community
35 college student is eligible to apply at the June 30 or the
36 September 2 deadline.

37 (2) Fifty percent of the awards referenced in this subdivision
38 are reserved for students who will be enrolled at a California
39 community college. The commission shall establish a second
40 application deadline of September 2 for community college

1 students to apply for these awards effective with the fall term or
2 semester of the 2001–02 academic year.

3 (3) If any awards are not distributed pursuant to paragraphs (1)
4 and (2) upon initial allocation of the awards under this article, the
5 commission shall make awards to as many eligible students as
6 possible, beginning with the students with the lowest expected
7 family contribution and highest academic merit, consistent with
8 the criteria adopted by the commission pursuant to subdivision
9 (c), as practicable without exceeding an annual cumulative total
10 of 22,500 awards.

11 (c) (1) On or before February 1, 2001, acting pursuant to a
12 public hearing process that is consistent with the Bagley-Keene
13 Open Meeting Act (Article 9 (commencing with Section 11120)
14 of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government
15 Code), the commission shall establish selection criteria for Cal
16 Grant A and B awards under the competitive program that give
17 special consideration to disadvantaged students, taking into
18 consideration those financial, educational, cultural, language,
19 home, community, environmental, and other conditions that
20 hamper a student's access to, and ability to persist in,
21 postsecondary education programs.

22 (2) Additional consideration shall be given to each of the
23 following:

24 (A) Students pursuing Cal Grant B awards who reestablish
25 their grade point averages.

26 (B) Students who did not receive awards pursuant to Article 2
27 (commencing with Section 69434), Article 3 (commencing with
28 Section 69435), or Article 4 (commencing with Section 69436).

29 (d) All other students who meet the eligibility requirements
30 pursuant to Article 1 (commencing with Section 69430) are
31 eligible to compete for an award pursuant to this article.

32 ~~SEC. 5.~~

33 *SEC. 6.* Section 69437.3 of the Education Code is amended to
34 read:

35 69437.3. (a) The commission shall utilize the standardized
36 student financial aid application described in Section 69432.9.

37 (b) An official financial aid application shall be submitted
38 pursuant to Section 69432.9, submitted or postmarked no later
39 than June 30, or September 2 for students enrolled at a
40 community college.

- 1 (c) A student shall be enrolled at least part-time.

O